

Utilities

C. Mike Gore, Utilities Director
August 13, 2019



Today's Goals

- Enterprise Operations
- Management Team Introductions
- Planning Considerations
- Opportunities & Challenges
- Operating Budgets FY20 & FY21
- CIP FY20-FY24
- FY14-18 Results
- Rate Increase Recommendation



Enterprise Operations

- January 1991 – resolution adopted to combine the water and sewer system, the solid waste system and the stormwater management system to be known as the “Manatee County Public Utilities System”
- Enterprise Funds – separate and distinct from general government/ad valorem property taxes
 - Water/Wastewater - rates
 - Solid Waste – collection and tip fees
 - Stormwater – no dedicated funding source



Presentation Team

Mike Gore, Director

July 2013

Mark Simpson,
Deputy
Director
Potable Water

Jeff Goodwin,
Deputy
Director
Wastewater

Rob Shankle,
Solid Waste
Division
Manager

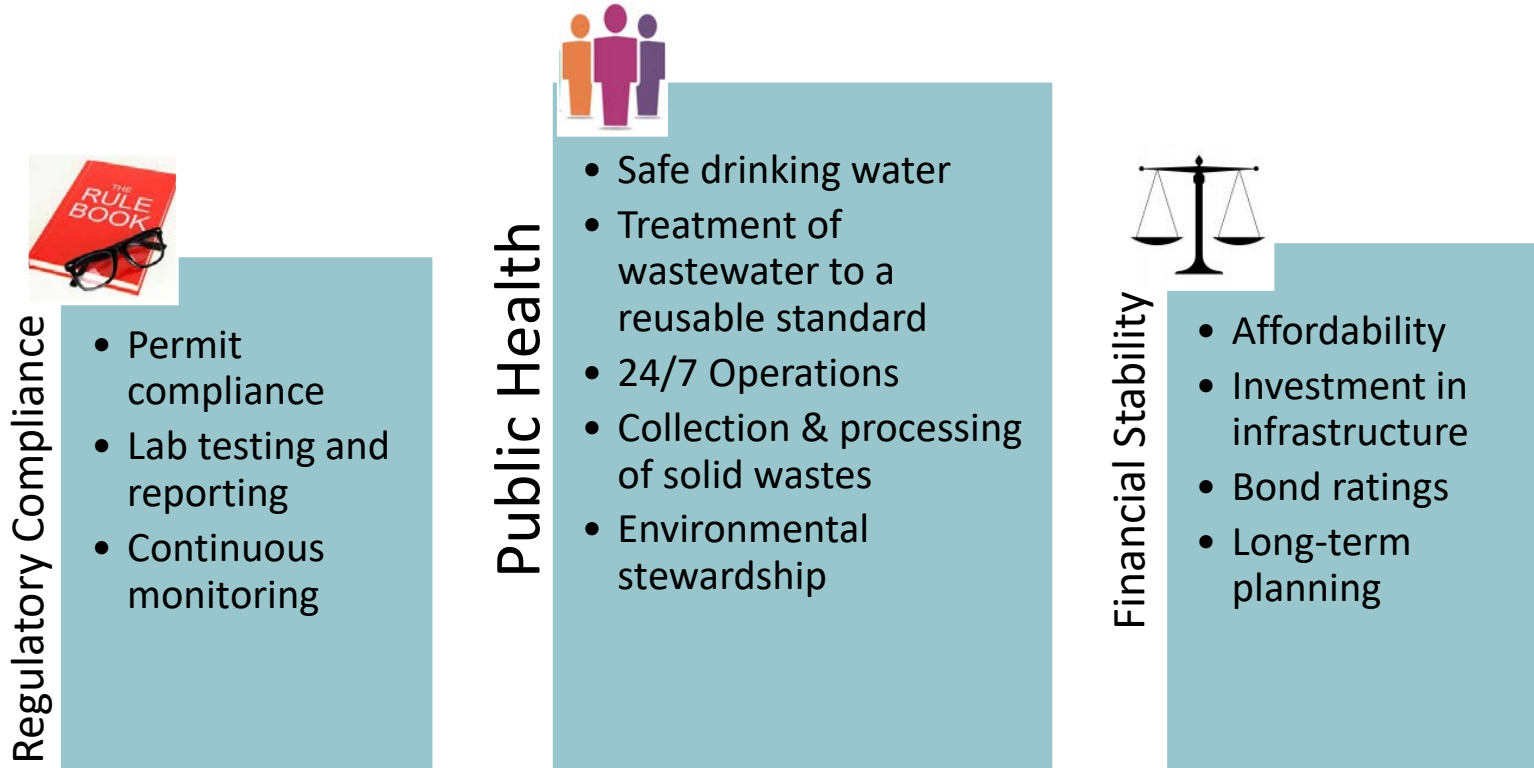
Heather
Dilldine,
Business
Operations
Manager

Michelle
Balais, Senior
Fiscal Services
Manager

Manage:
\$1.2B Infrastructure - \$181.6M Operating Revenues

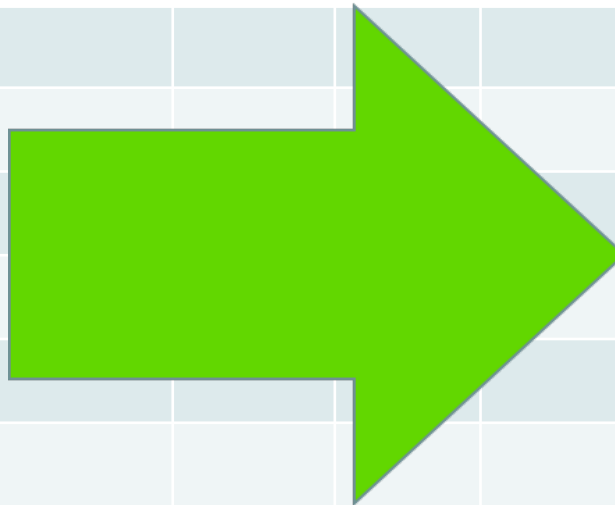


Level of Service Management



Growth Management

	FY14	FY15	FY16	FY17	FY18	FY19**	% Change
Population*	337,546					394,855	16.97%
Accounts	110,051					125,370	13.92%
Distribution (miles)	1,910					2,222	16.33%
Collection (miles)	1,509					1,714	13.58%
Lift Stations	605					680	12.39%
Employees***	393					420	6.87%



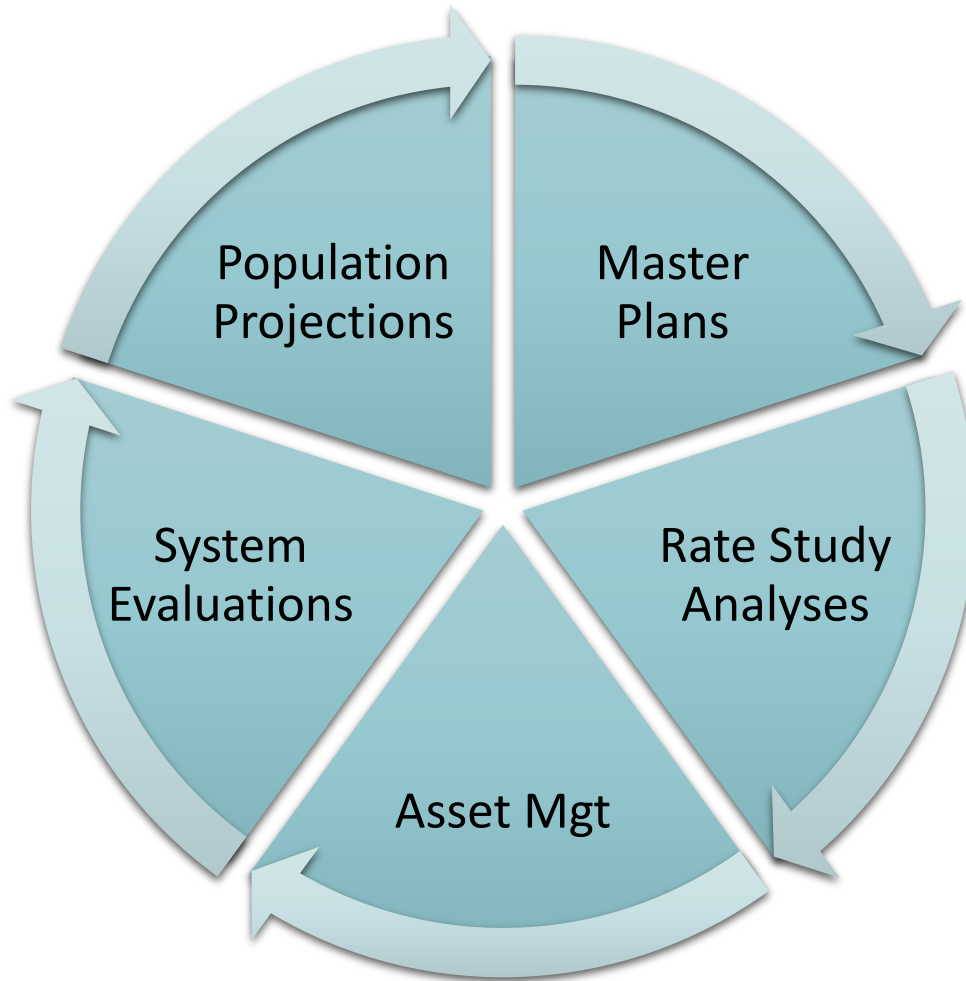
*US Census 2018

**As of June 30, 2019

***Balance for FY19 includes 4 positions approved in February 2019.



Long-term Planning



Managing the Unknowns

- Weather
- Regulatory Requirements (Federal, State & Local)
- Economy
 - Cost increases
 - Continued growth
 - Plant expansions
 - Transportation projects scope and timing
- Technology



Utilities Programs

- Potable Water
- Wastewater
- Solid Waste (subject of 9/17 work session)
- Business Operations



Potable Water Program 2301

- Provides drinking water to over 350,000 residents and wholesale customers.
- Treats on average, 40 million gallons per day.
- Transmission system consists of over 2,000 miles of pipe.
- 123 employees

Operating Budget	FY20	FY21
Millions of Dollars	\$21.5M	\$22.2M



Potable Water Program 2301 (2)

Base Budget Supports (Pgs 968-994)

DU #	Program
1.0	Water Treatment
1.1	Quality Control Laboratory
1.2	Distribution
1.3	Drinking Water Compliance
1.4	Meter Services



Potable Water

FY14-18 Results Highlights

- WUP modification – add 3.1 MGD to ECW
- Per Capita Use – avg. 89.9 g/p/d (92.0 – 86.5)
- Dam Repair Phase 1 – \$18.2M
- Biological Treatment Unit – \$19.9M
- Distribution R&R (AMI, Palma Sola Park, Garden Heights, Canal Rd., etc.) – \$9.7M
- System Enhancements (loops for water quality & fire flow) – Key Royale, Braden Rd., Traveler's Oasis, 63rd Ave. E. To US41 – \$6.1M



Potable Water Opportunities & Challenges

- WTP R&R Projects (Ultrafiltration, Alum solids handling, SCADA) - \$70M
- Dam Phase 2 Repair – \$15M?
- Distribution R&R Projects - \$7M/yr (\$35M)
- Transportation Related Projects - \$20.3M
- Meter Automation - \$10M

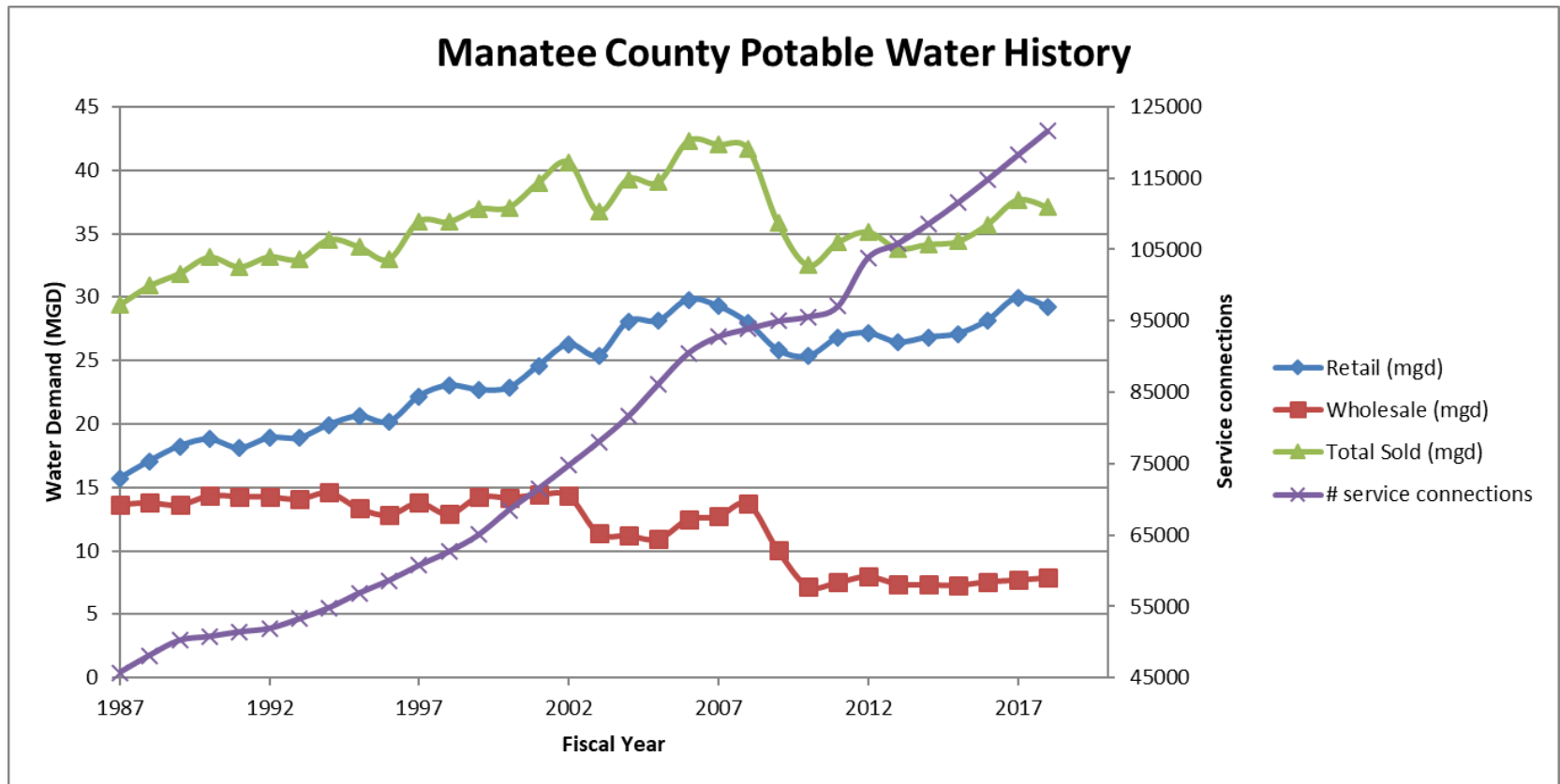


Potable Water System Capacity for Growth

- Annual reviews of population projections and associated demands
- 10-Year Water Supply Facilities Work Plan (updated every 5 years)
- Water System Master Plan – updated every 5 years
- Plan calls for new brackish water RO plant on UD Buffalo Creek property in 2033 and supply from PRMRWSA in 2037



Potable Water Historical Information



Questions?



Wastewater Program 2302

- Provides wastewater services to nearly 300,000 residents and wholesale customers.
- Treats on average 22 million gallons per day.
- Distributes on average 18.4 million gallons per day of reclaimed water.
- Collection system consists of over 1,700 miles of pipe and 675 lift stations.
- 171 employees

Operating Budget	FY20	FY21
Millions of Dollars	\$34.7M	\$36.2M



Wastewater Program 2302 (2)

Base Budget Supports (Pgs 995-1029)

DU #	Program
1.0	Treatment Plants
1.1	Laboratory
1.2	Sewer Collections
1.3	Lift Stations
1.4	Master Reuse System
1.5	BioSolids Dryer
1.6	Wastewater Compliance



Wastewater FY14-FY18 Results Highlights

- SWRWRF Enhanced Nitrogen Removal - \$23.8M
- DIW System Improvements - \$14.1M
- Collections Systems R&R - \$41.0M
- Treatment Plants R&R - \$67.5M
- FOG Management Program



Wastewater Opportunities & Challenges

- Treatment Plant R&R Projects - \$62.2M
- Collections Systems R&R Projects - \$62.5M
- Growth Related Projects - \$6.25M
- Transportation Related Projects - \$9.8M
- Improved Maintenance Processes
- Enhanced Energy Efficiencies

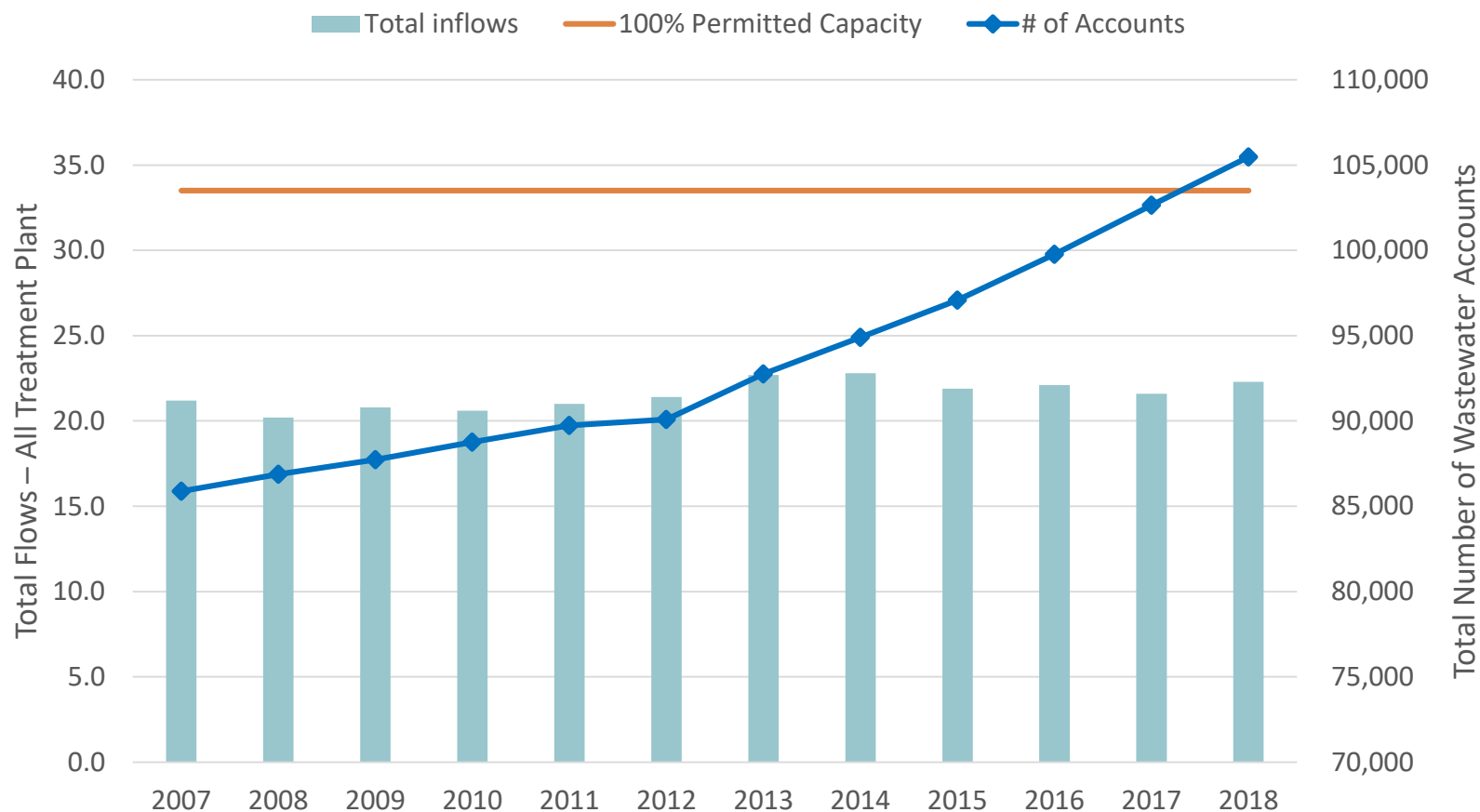


Wastewater System Capacity for Growth

- Regular review of population projections and wastewater flows
- Collections System Master Plan – updated every 5 years.
- Wastewater Facilities Master Plan – updated every 5 years.
- Expansion design current timeline:
 - SWRWRF – 2025
 - SERWRF – 2027
 - NRWRF – 2035



Wastewater Flow History



Questions?



Solid Waste Program 2303

- Manages 418,000 tons of material delivered annually to the landfill.
- Collection services for 140,000 residential and 6,000 commercial accounts.
- Maintains and executes the debris management plan.
- 41 employees

Operating Budget	FY20	FY21
Millions of Dollars	\$41.2M	\$42.0M



Solid Waste Program 2303 (2)

Base Budget Supports (Pgs 1030-1046)

DU #	Program
1.0	Landfill Operations
1.1	Landfill Closure
1.2	Solid Waste Enforcement
1.3	Recycling & Special Waste Handling
1.4	Customer Service
1.5	Franchise Agreements
1.6	Emergency Management Planning



Solid Waste FY14-18 Results Highlights

- Renewal of Franchise Hauler Agreements
- Final stage for disposal became operational
- Hurricane Irma debris management
- Recycling rate of 63%



Solid Waste Opportunities & Challenges

- Master Plan (subject of 9/17 work session)
- Lena Road Landfill
 - Closure (partial) of Stage I & III
 - Remaining Life
- Franchise Hauler Agreements
 - Expire September 30, 2023



Questions?



Business Operations Program 2304

- Program consists of customer service (call center & cashiering), billing, collections, accounting, fiscal services, warehouse, business system support, safety and communications, GIS, infrastructure locates group, and utility records.
- Program supports the water, wastewater and solid waste operations.
- 92 employees

Operating Budget	FY20	FY21
Millions of Dollars	\$28.7M	\$28.9M



Business Operations

Program 2304 (2)

Base Budget Supports (Pgs 1047-1065)

DU #	Program
1.0	Administrative Function
1.1	Customer Service
1.2	Customer Billing, Collections & Accounting
1.3	Warehouse
1.4	System Support
1.5	Mapping (Records & Locates)
1.6	Communication & Safety
1.7	Emergency Management Planning
1.8	System Maintenance



Business Operations Goals

- Provide the best customer service that will exceed all expectations by responding to customer needs in a timely, professional, and courteous manner
- Streamline processes and procedures to gain efficiencies
- Employ state-of-the-art technology to maximize reliability and customer service



Business Operations

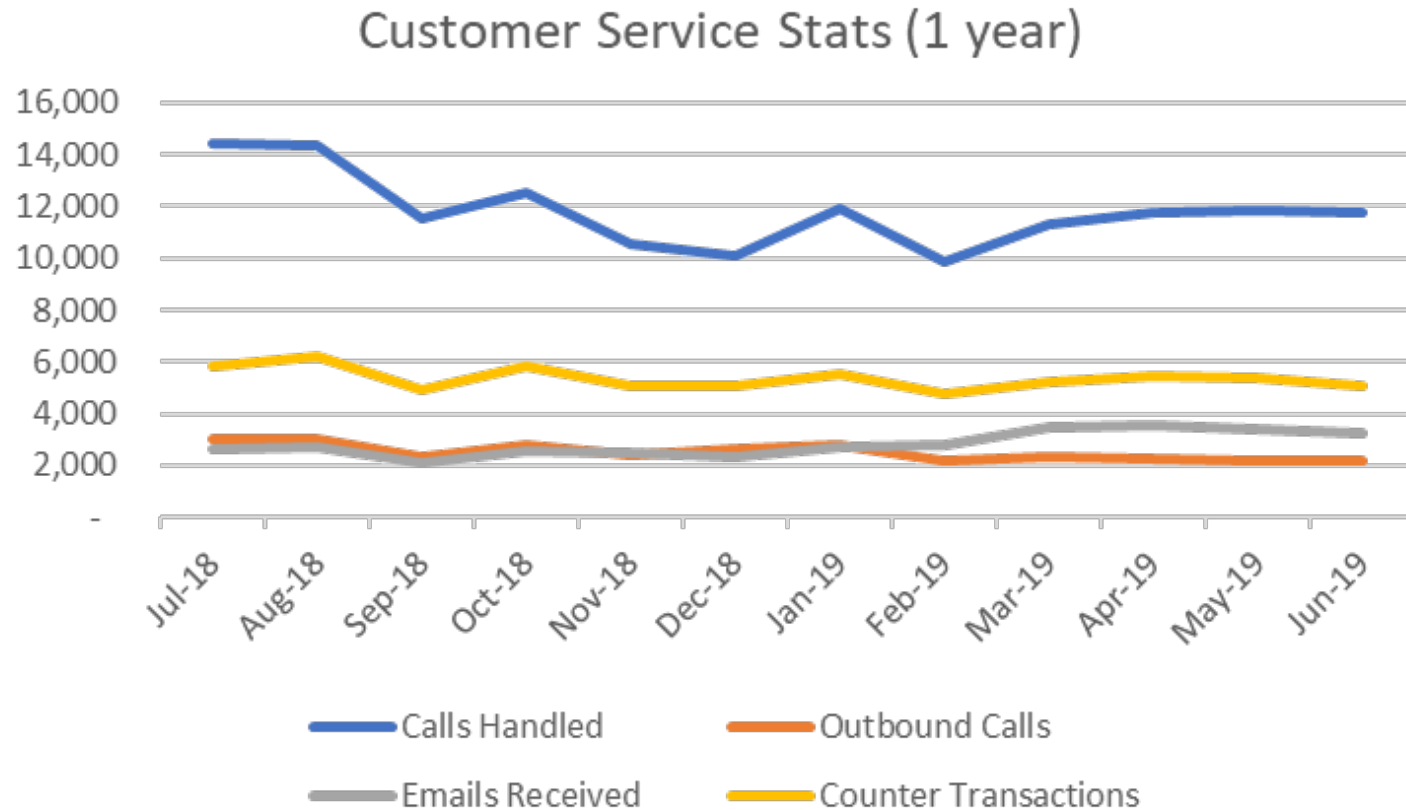
How We Monitor Performance

Measurement	July 2018 – June 2019
Bills Mailed	1,533,733
Calls Handled	141,973
Outbound Calls	30,001
Emails Received	33,813
Counter Transactions	64,401
Average Queue Time	06:10
Number of Locate Tickets	82,140



Business Operations

How We Monitor Performance (2)



Business Operations FY14-18 Results Highlights

- Technology
 - Hach WIMS
 - Automic
 - VOIP phone system
 - Banner CIS upgrade with installation of CWA (Customer Web Access)
 - Fiserv Bill Matrix Next
 - CMMS needs analysis and vendor selection (Lucity)
- Streamlined processes and procedures to create better efficiencies
 - Collections
 - Call Center
 - Mapping & Locates
- Hurricane Irma – FEMA reimbursement



Business Operations Opportunities & Challenges

- Implementation of CMMS in 2020 (\$3M)
- Security
 - Contract expiration
 - Facility Commander sunsetting in 2020
 - Security cameras and systems
- New Customer Information System – evaluation starts in 2020 (\$6M)
- Solid waste rates to ad valorem tax bill
- Tenant/Landlord accounts



Business Operations Plans to Address Growth

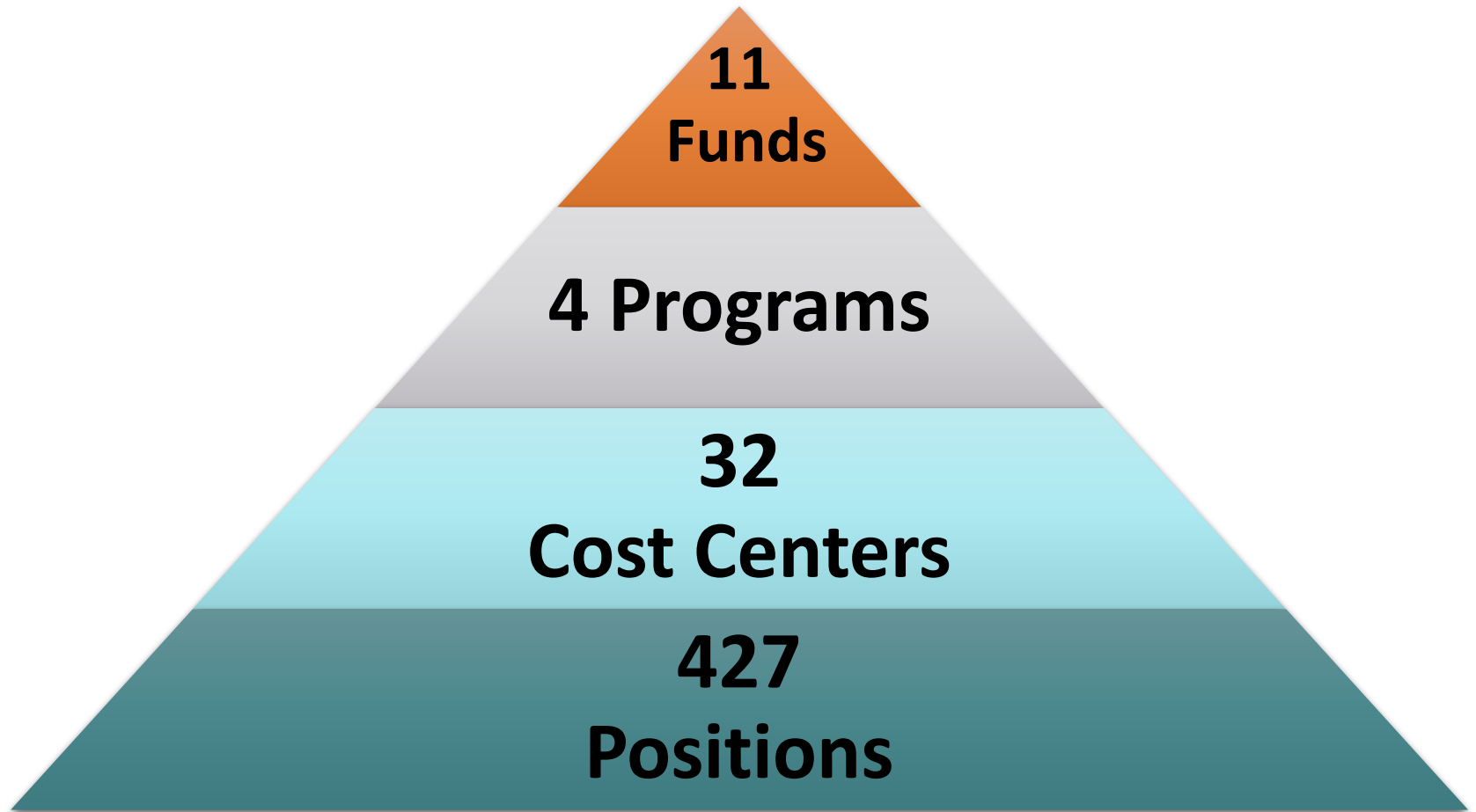
- Location of Utility facilities
 - Are we in the best physical location to serve our growing customer base?
- Continue to make sure we have adequate staffing:
 - Customer Service – What are the customer's call times?
 - Compliance – Are we in compliance with completing locates (Call 811)?



Questions?



Enterprise Fund (FY20)



FY20 & FY21 Operating Budgets

Operating Budget	FY20	FY21
Potable Water	\$21.5M	\$22.2M
Wastewater	34.7M	36.2M
Business Ops	<u>28.7M</u>	<u>28.9M</u>
Total	\$84.9M	\$87.3M
Solid Waste	<u>\$41.2M</u>	<u>\$42.0M</u>
Total Utilities	\$126.1M	\$129.3M



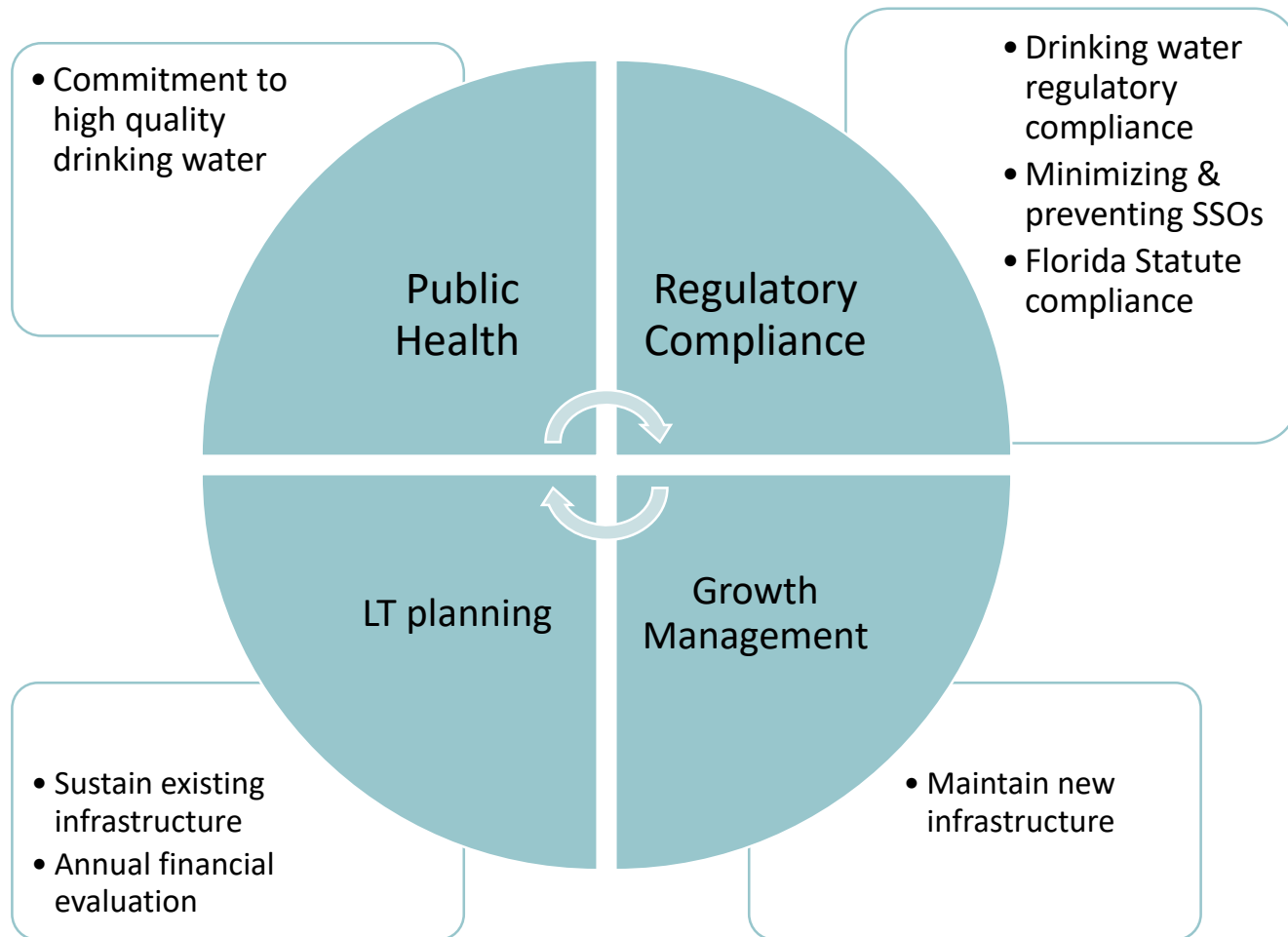
FY20 Desired Units

7 New positions

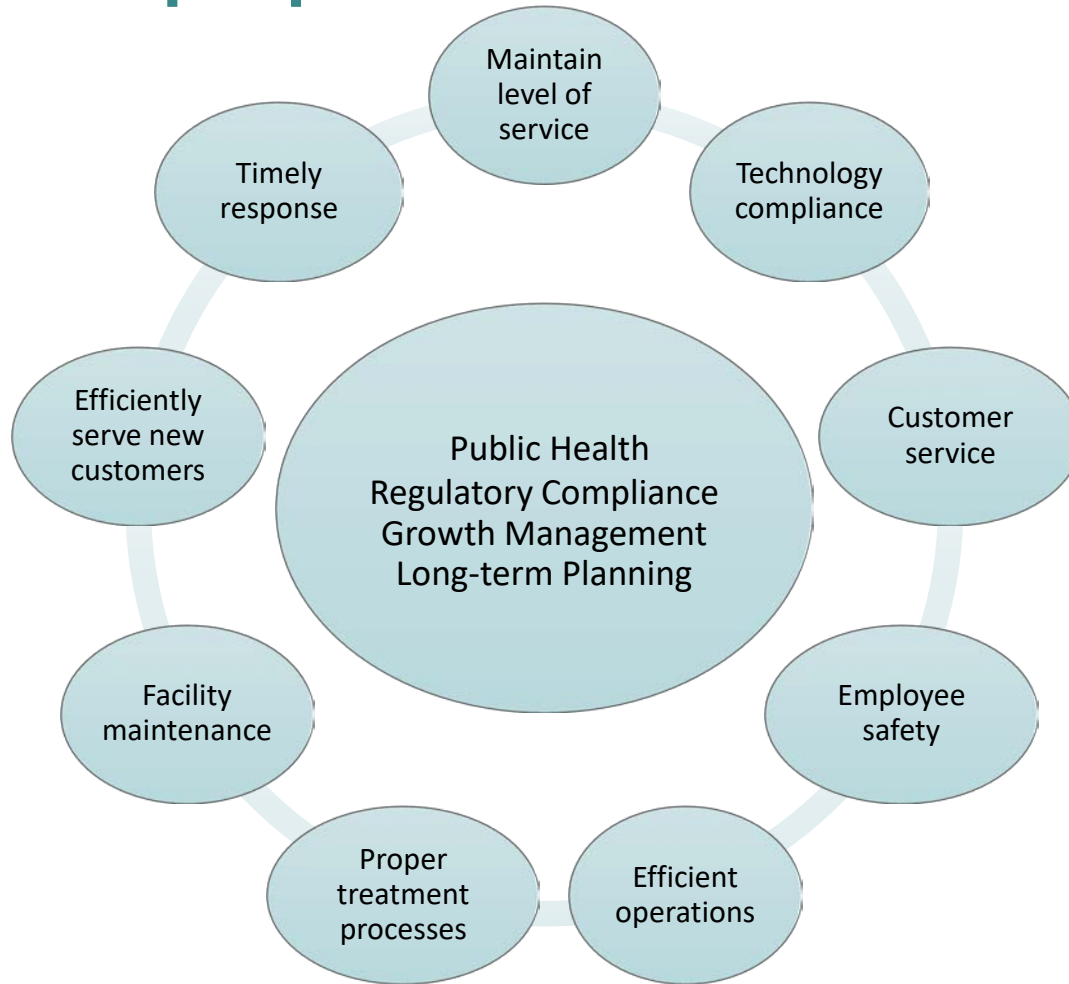
Program	DU #	Title	Amount
2301	7	Utility Maintenance Supervisor	\$118,777
2301	8	QA/QC Officer	73,171
2301	11	Building Trades Worker	43,776
2301	15	Chief Equipment Operator	51,654
2302	8	Sewer Collections Crew (2 positions)	183,677
2304	7	Utilities Locates Technician	<u>99,086</u>
		Total	<u>\$570,141</u>

FY20 Desired Units

7 New positions (2)



FY20 Desired Units New Equipment



FY20-FY24

Capital Improvement Plan

Program	FY20	FY21	FY22	FY23	FY24	Total
Potable Water	\$9.9M	\$10.1M	\$19.7M	\$9.8M	\$8.1M	\$57.6M
Wastewater	<u>17.1M</u>	<u>29.8M</u>	<u>34.6M</u>	<u>28.6M</u>	<u>26.6M</u>	<u>136.7M</u>
Total	27.0M	39.9M	54.3M	38.4M	34.7M	194.3M
Solid Waste	<u>1.6M</u>	<u>--</u>	<u>1.1M</u>	<u>--</u>	<u>2.3M</u>	<u>5.0M</u>
Total Utilities	<u>\$28.6M</u>	<u>\$39.9M</u>	<u>\$55.4M</u>	<u>\$38.4M</u>	<u>\$37.0M</u>	<u>\$199.3M</u>



FY20-FY24

Capital Improvement Plan (2)

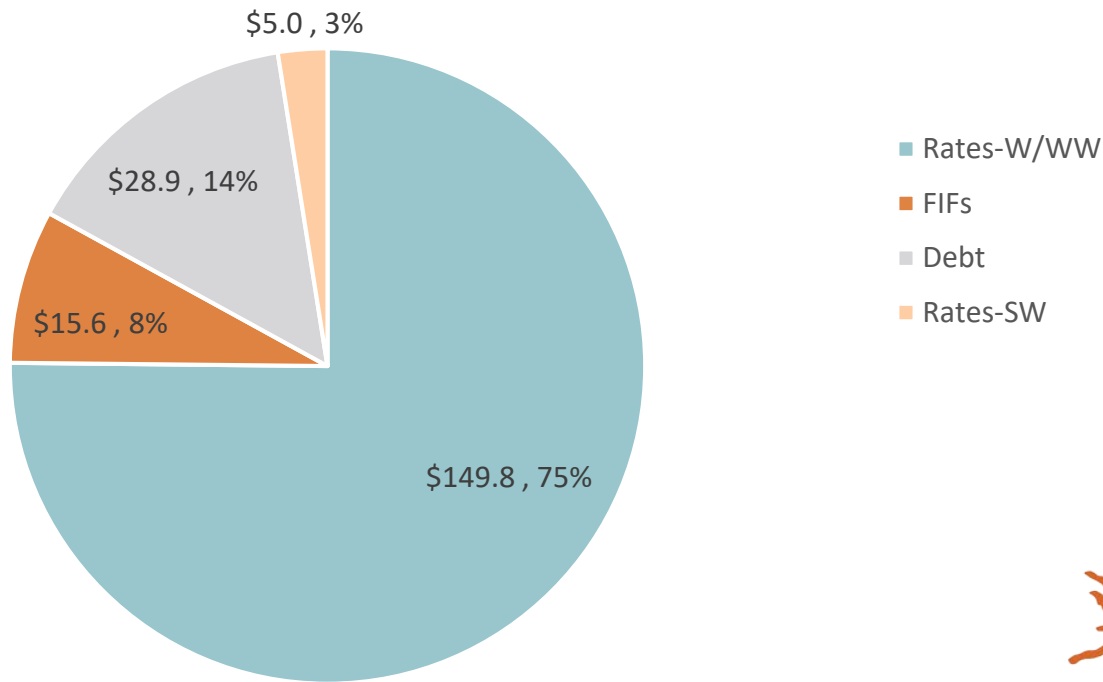
Number of Projects	Existing	New	Total
Potable Water	46	19	65
Wastewater	<u>72</u>	<u>58</u>	<u>130</u>
Total Water-Wastewater	118	77	195
Solid Waste	<u>3</u>	<u>0</u>	<u>3</u>
Total Utilities	121	77	198



FY20-FY24 Capital Improvement Plan (3)

Total FY20-24 by Funding Source

Note: \$ in millions

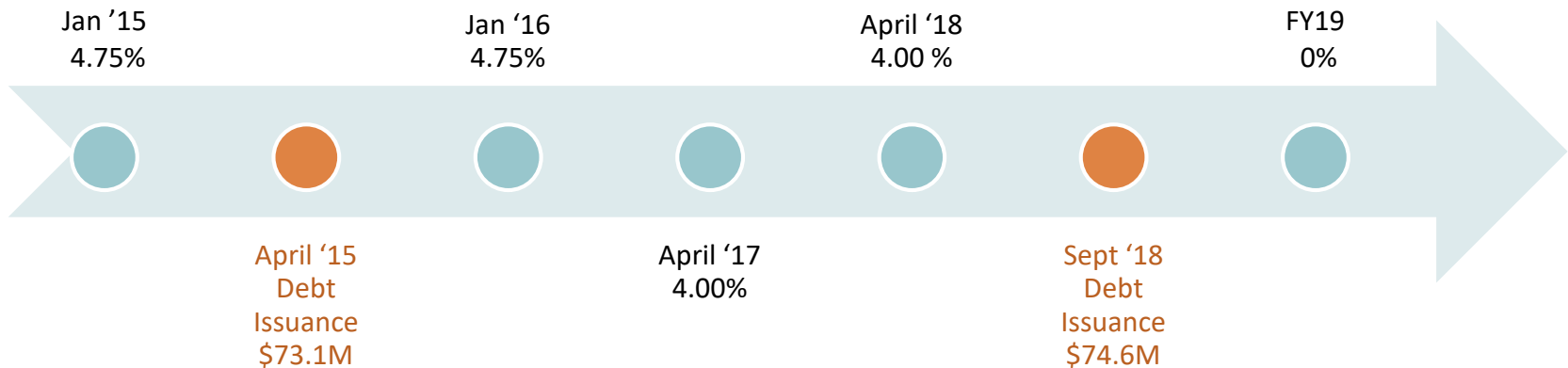


Financial Analysis Results of Operations

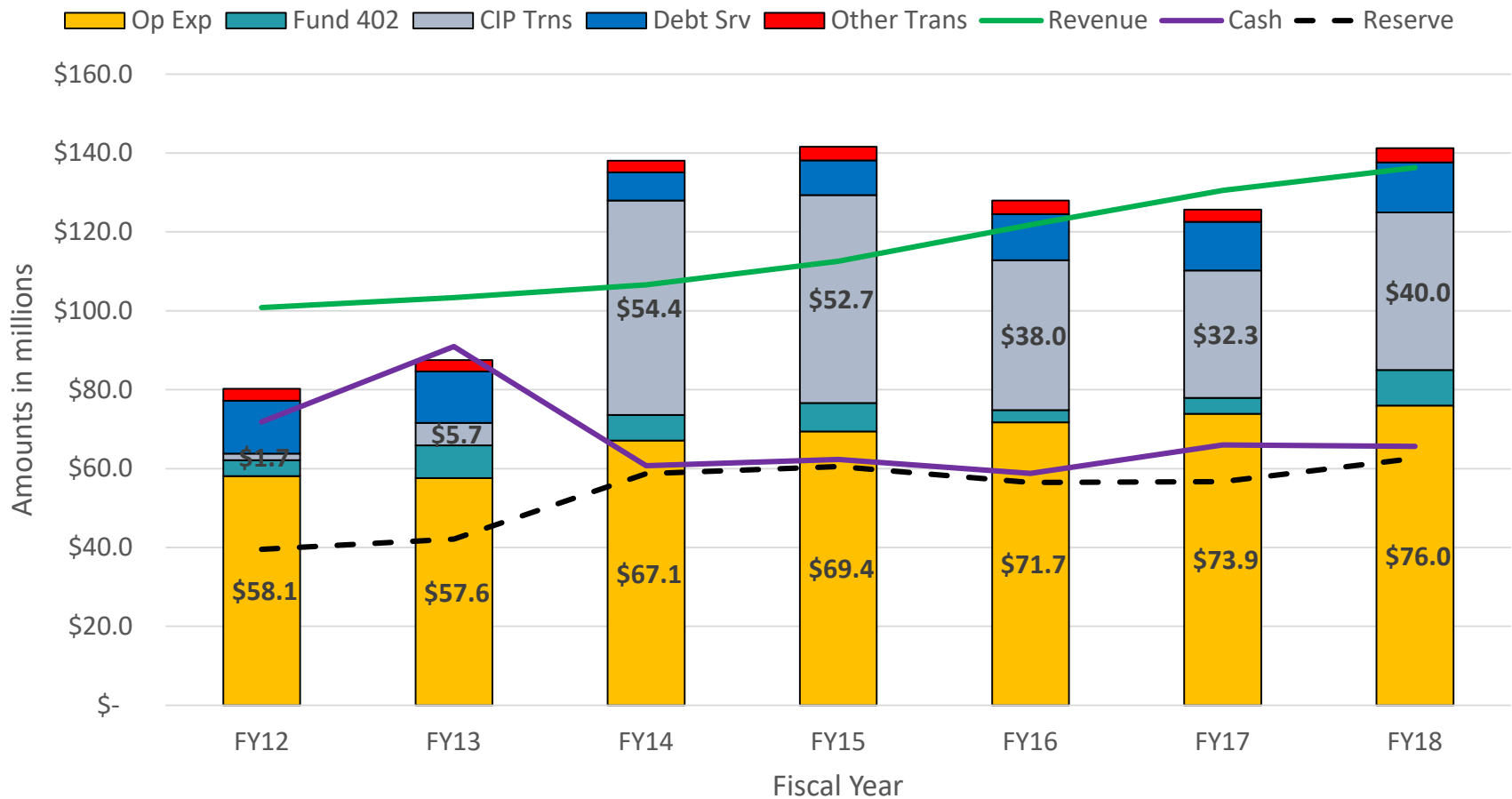
- On-going basis (quarterly)
 - Financial results
 - Billing and consumption statistics
- Annual analysis of fiscal year-end results
 - Compare budget to actual
- Update projections
- Comparison to financial model
 - FY20 & FY21 operating budgets
 - CIP FY20-FY24
 - Other significant changes
- Generate what-if scenarios for future assumptions



Historical Rate Increases & Debt Issuances



Results of Operations FY12-18



Financial Analysis Results

- Staff recommendation for rate increase of 1.4%
 - Effective January 1, 2020
- Consistent with long-term planning
 - Bond feasibility 1.9%
- Maintains level of infrastructure investment
- Addresses growth in operating expenses with addition of personnel
- Maintains current level of reserves
- Keeps rates affordable for customers



Historical Rate Increases

Effective Date	Rate Increase	Customer Bill
Nov '12	3.00%	\$63.91
FY14	0%	\$63.91
Jan '15	4.75%	\$66.95
Jan '16	4.75%	\$70.13
April '17	4.00%	\$72.94
April '18	4.00%	\$75.85
FY19	0%	\$75.85
Jan '20	1.4%	\$76.91



Rate Increase Impact to the Customer

Recommending 1.4% increase

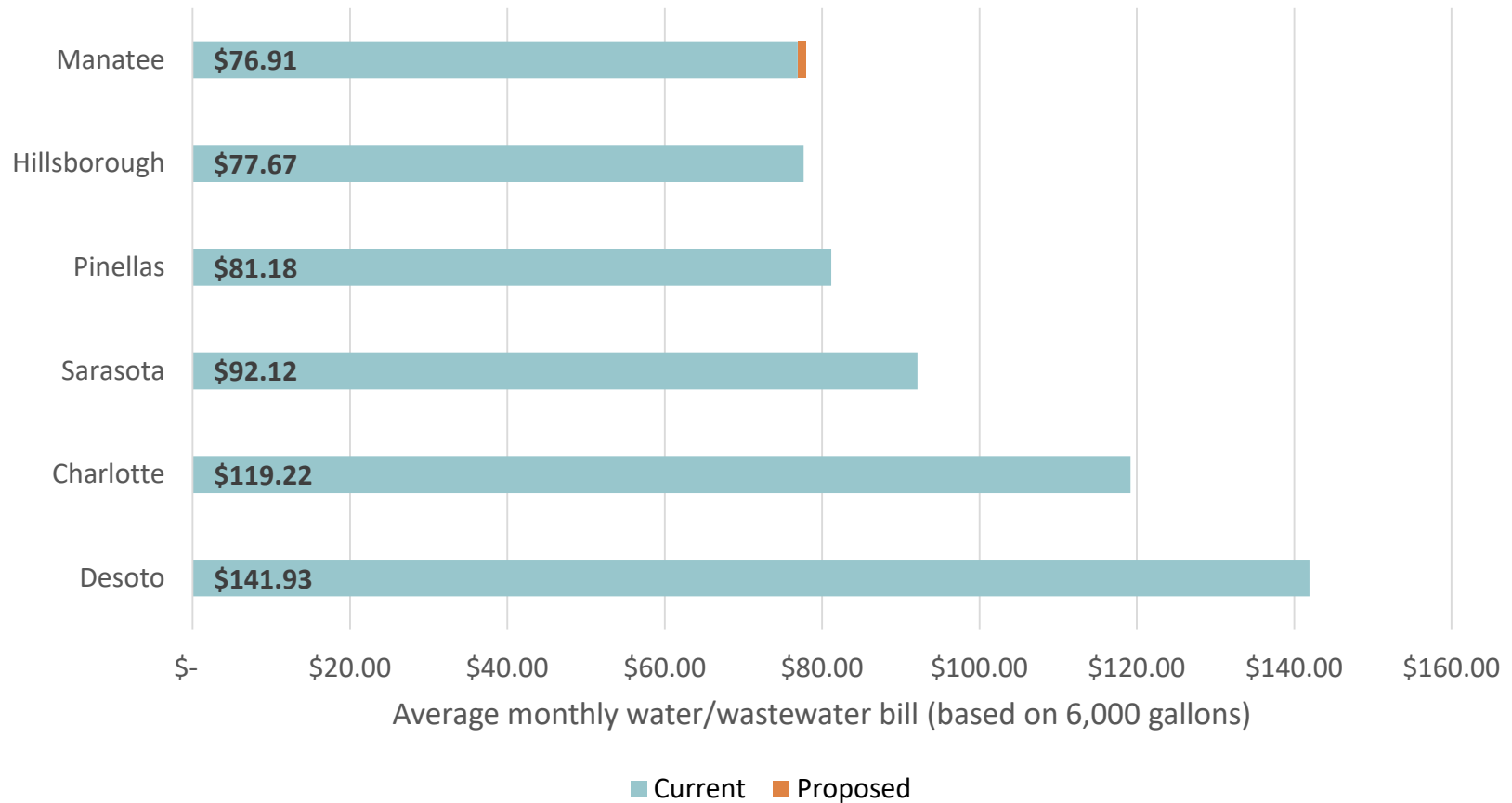
Current \$75.85

Proposed \$76.91

Increase of \$1.06/month



Manatee County Utilities County Comparison



Manatee County Utilities Rate Increases Comparison

County	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19
DeSoto County	◆	◆	◆	◆	◆	
Sarasota County						
Charlotte County*		◆	◆	◆		◆
Pinellas County	◆	◆	◆	◆	◆	◆
Hillsborough County	◆	◆	◆	◆	◆	◆
Manatee County		◆	◆	◆	◆	

*County has adopted 7% increases effective April 1, 2020 and 2021, respectively.

Future Rate Study

- Rate study to be started 2020
 - FY19 operating results (bond feasibility thru 9/30/17)
 - 2021/2022 proposed bond issuance
 - Update 15-year forecast assumptions
 - Plan for future unknowns
 - Centralized operations
 - Plant expansions
 - Technology



Questions?

